

ATTACHMENT H - FINANCIAL RESPONSIBILITY DEMONSTRATION

CLASS VI EMERGENCY AND REMEDIAL RESPONSE INSURANCE 40 CFR 146.85

Emergency and Remedial Response Insurance

Carbon TerraVault Holding LLC (CTV) will provide financial assurance for Emergency and Remedial Response by procuring an environmental insurance policy. The limits will be re-determined by a reasonable estimate of the cost of these activities prior to the commencement of injection operations. The project environmental insurance policy will be placed with an A.M. Best A or higher rated carrier and will cover all emergency and remedial response activities arising from the assets. The selected insurance carrier will issue a financial assurance certificate in compliance with state and federal regulations.

FINANCIAL RESPONSIBILITY CTV V

CLASS VI INJECTION WELL PLUGGING, CORRECTIVE ACTION AND POST-INJECTION SITE CARE AND CLOSURE LETTER OF CREDIT

40 CFR 146.85

Letter of Credit Description

Carbon TerraVault Holdings LLC (CTV) will provide financial assurance for Injection Well Plugging, Corrective Action and Post-injection Site Care and Site Closure by posting a letter of credit. The amount of each letter of credit would be determined by a reasonable estimate of the cost of these activities. CTV will provide an updated estimate from a third party prior to project approval.

The letter of credit will be backed by California Resources Corporation's (CRC) Credit Agreement with Citibank, N.A., as administrative agent, and certain other lenders as participants. This credit agreement consists of a senior revolving loan facility (Revolving Credit Facility) with an aggregate commitment of \$492 million, which CRC is permitted to increase if CRC obtains additional commitments from new or existing lenders. The Revolving Credit Facility also includes a sub-limit of \$200 million for the issuance of letters of credit. The letters of credit were issued to support ordinary course marketing, insurance, regulatory and other matters.

As of June 30, 2021, CRC had an undrawn Revolving Credit Facility, approximately \$75 million available in letter of credit issuance capacity and \$151 million of cash. CRC is currently making efforts to add to the aggregate commitment and the sub-limit for letters of credit.

CLASS VI FINANCIAL RESPONSIBILITY DEMONSTRATION

COST ESTIMATE

CTV V

Carbon TerraVault LLC (CTV) had the following cost estimate prepared by third party contractor, Daniel B. Stephens & Associates, Inc., completed on 6/9/2023.

Table 1. Financial Responsibility Cost Summary

Category	Description	Cost
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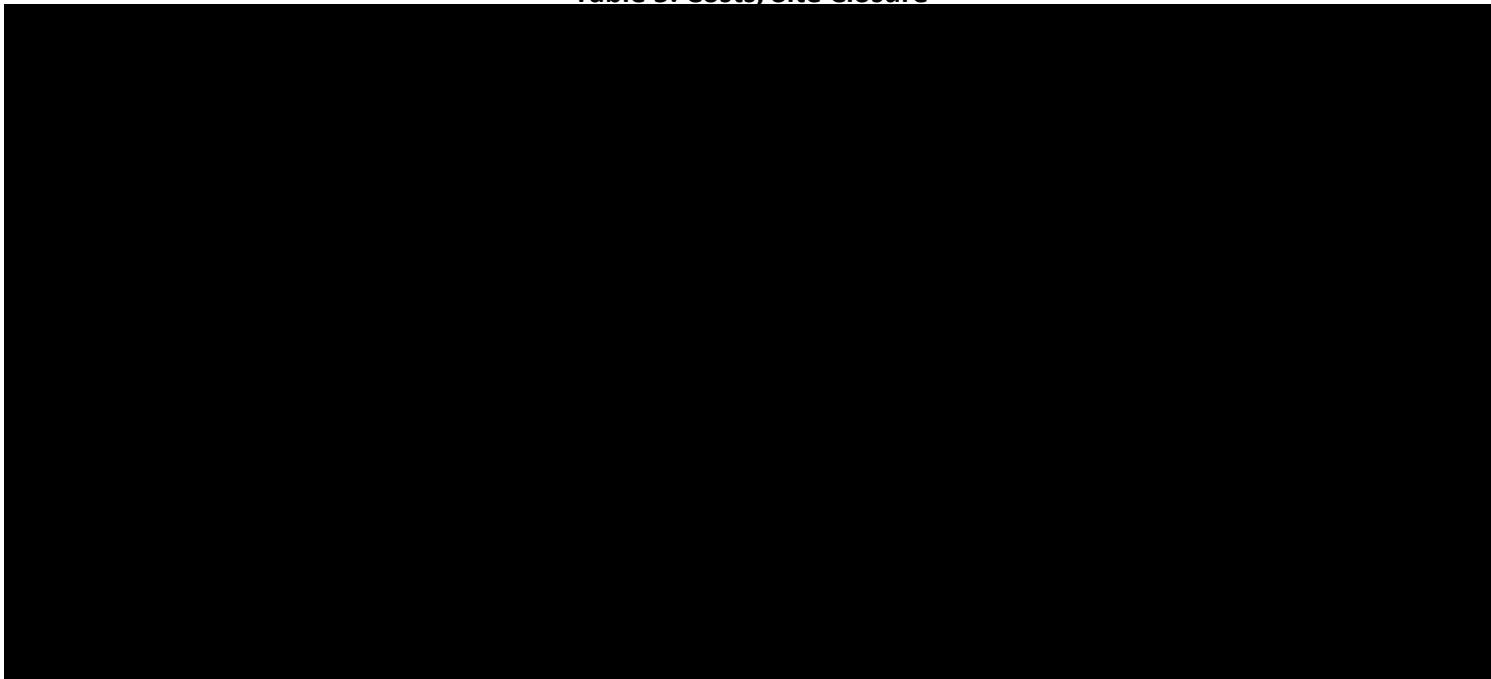
Table 2. Costs, Corrective Action Total

Table 3. Costs, Injection Well Abandonment

Table 4. Post Injection Site Care Costs

Category	Cost
Initial Cleaning	\$0.50
Post-Injection Care	\$0.50
Follow-up Care	\$0.50
Total	\$1.50

Table 5. Costs, Site Closure



Category	Cost Type	Cost Value
Site Preparation	Demolition	\$1,200,000
Site Preparation	Excavation	\$800,000
Site Preparation	Site Clearing	\$500,000
Site Preparation	Structural Removal	\$300,000
Site Preparation	Soil Remediation	\$200,000
Site Preparation	Utilities Removal	\$100,000
Site Preparation	Permitting	\$50,000
Site Preparation	Transportation	\$30,000
Site Preparation	Storage	\$20,000
Site Preparation	Equipment	\$10,000
Site Preparation	Other	\$10,000
Site Preparation	Total	\$3,000,000
Structural Removal	Demolition	\$1,000,000
Structural Removal	Excavation	\$700,000
Structural Removal	Structural Removal	\$500,000
Structural Removal	Soil Remediation	\$300,000
Structural Removal	Utilities Removal	\$150,000
Structural Removal	Permitting	\$50,000
Structural Removal	Transportation	\$30,000
Structural Removal	Storage	\$20,000
Structural Removal	Equipment	\$10,000
Structural Removal	Other	\$10,000
Structural Removal	Total	\$2,800,000
Soil Remediation	Demolition	\$800,000
Soil Remediation	Excavation	\$600,000
Soil Remediation	Structural Removal	\$400,000
Soil Remediation	Soil Remediation	\$300,000
Soil Remediation	Utilities Removal	\$100,000
Soil Remediation	Permitting	\$50,000
Soil Remediation	Transportation	\$30,000
Soil Remediation	Storage	\$20,000
Soil Remediation	Equipment	\$10,000
Soil Remediation	Other	\$10,000
Soil Remediation	Total	\$2,000,000
Utilities Removal	Demolition	\$600,000
Utilities Removal	Excavation	\$500,000
Utilities Removal	Structural Removal	\$300,000
Utilities Removal	Soil Remediation	\$200,000
Utilities Removal	Utilities Removal	\$150,000
Utilities Removal	Permitting	\$50,000
Utilities Removal	Transportation	\$30,000
Utilities Removal	Storage	\$20,000
Utilities Removal	Equipment	\$10,000
Utilities Removal	Other	\$10,000
Utilities Removal	Total	\$1,800,000
Permitting	Demolition	\$400,000
Permitting	Excavation	\$300,000
Permitting	Structural Removal	\$200,000
Permitting	Soil Remediation	\$150,000
Permitting	Utilities Removal	\$100,000
Permitting	Permitting	\$50,000
Permitting	Transportation	\$30,000
Permitting	Storage	\$20,000
Permitting	Equipment	\$10,000
Permitting	Other	\$10,000
Permitting	Total	\$1,200,000
Transportation	Demolition	\$300,000
Transportation	Excavation	\$200,000
Transportation	Structural Removal	\$150,000
Transportation	Soil Remediation	\$100,000
Transportation	Utilities Removal	\$50,000
Transportation	Permitting	\$30,000
Transportation	Transportation	\$20,000
Transportation	Storage	\$10,000
Transportation	Equipment	\$10,000
Transportation	Other	\$10,000
Transportation	Total	\$1,000,000
Storage	Demolition	\$200,000
Storage	Excavation	\$150,000
Storage	Structural Removal	\$100,000
Storage	Soil Remediation	\$80,000
Storage	Utilities Removal	\$50,000
Storage	Permitting	\$30,000
Storage	Transportation	\$20,000
Storage	Storage	\$10,000
Storage	Equipment	\$10,000
Storage	Other	\$10,000
Storage	Total	\$800,000
Equipment	Demolition	\$150,000
Equipment	Excavation	\$100,000
Equipment	Structural Removal	\$80,000
Equipment	Soil Remediation	\$60,000
Equipment	Utilities Removal	\$40,000
Equipment	Permitting	\$30,000
Equipment	Transportation	\$20,000
Equipment	Storage	\$10,000
Equipment	Equipment	\$10,000
Equipment	Other	\$10,000
Equipment	Total	\$700,000
Other	Demolition	\$100,000
Other	Excavation	\$70,000
Other	Structural Removal	\$50,000
Other	Soil Remediation	\$40,000
Other	Utilities Removal	\$30,000
Other	Permitting	\$30,000
Other	Transportation	\$20,000
Other	Storage	\$10,000
Other	Equipment	\$10,000
Other	Other	\$10,000
Other	Total	\$600,000
Total	Demolition	\$3,000,000
Total	Excavation	\$2,100,000
Total	Structural Removal	\$2,000,000
Total	Soil Remediation	\$1,800,000
Total	Utilities Removal	\$1,700,000
Total	Permitting	\$1,200,000
Total	Transportation	\$1,000,000
Total	Storage	\$800,000
Total	Equipment	\$700,000
Total	Other	\$600,000
Total	Total	\$14,000,000

Table 6. Emergency Response

Groundwater Contamination Causal Investigation

Activity	Objectives	Approach	Timeline	Resources
Initial site assessment	Identify potential sources of contamination	Site visits, sampling, data analysis	1-2 weeks	Site team, lab equipment
Sampling and analysis	Collect samples for testing	Sample collection, lab analysis	2-4 weeks	Sampling equipment, lab facilities
Contamination mapping	Map the extent of contamination	Geological surveys, modeling	1-3 months	Geological data, modeling software
Source identification	Identify the source of contamination	Review historical data, sampling results	2-4 months	Historical data, sampling results
Contingency planning	Develop plans for emergency response	Review regulations, site-specific plans	Ongoing	Regulatory guidelines, site-specific plans

Groundwater Contamination Remediation

Activity	Objectives	Approach	Timeline	Resources
Site characterization	Identify the nature and extent of contamination	Sampling, modeling	1-2 weeks	Sampling equipment, lab facilities
Remediation planning	Develop a plan for removing contamination	Site-specific modeling, regulations	1-3 months	Regulatory guidelines, modeling software
Construction of remediation system	Build the system to remove contamination	Construction, monitoring	2-4 months	Construction equipment, monitoring tools
Monitoring and evaluation	Monitor the system's performance	Sampling, modeling	Ongoing	Sampling equipment, lab facilities
Final site assessment	Assess the site's condition after remediation	Sampling, modeling	1-2 weeks	Sampling equipment, lab facilities

References

A list of references is present but has been completely redacted with a large black rectangular box. The box covers approximately the top third of the page, with a small vertical gap on the left side where the first reference would have been.